

WILMER, CUTLER & PICKERING

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WASHINGTON, D. C. 20006

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GARY D. WILSON
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ALEXANDER F. WILES
ANN O. WILLIAMS
ROBERT G. WILSON
ROGER M. WITTEN

EZEKIEL G. STODDARD
ARTHUR Z. GARDINER, JR.
COUNSEL

RECORDATION NO. 8849-1

March 1, 1978

RECORDATION NO. 8849-1

MAR 1 1978 - 4 25 PM

MAR 1 1978 - 4 25 PM

INTERSTATE COMMERCE COMMISSION

Dear Mr. Homme:

On behalf of Louisville and Nashville Railroad Company, there are submitted for filing and recording under Section 20c of the Interstate Commerce Act two (2) counterparts each of the following two documents, both to be numbered with the next two available letters under Recordation No. 8849:

1. Amendment to Reconstruction and Conditional Sale Agreement dated as of February 1, 1978 to the Reconstruction and Conditional Sale Agreement (RCSA) dated as of March 1, 1977 and recorded with the Interstate Commerce Commission June 8, 1977 under Recordation No. 8849.

The parties to this Amendment are

First Security Bank of Utah, N.A. - Agent
Salt Lake City, Utah

L&N Investment Corporation - Builder
Louisville, Kentucky

American Security Bank. N.A. - Trustee
Washington, D.C.

This Amendment gives effect to a new delivery date and cutoff date for the remaining 61 units of Equipment as listed in the RCSA, and except as so amended the RCSA shall remain unaltered and in full force and effect.

RECEIVED

MAR 1 4 21 PM '78

CERTIFICATION UNIT

8-063A130

20

WILMER, CUTLER & PICKERING

2. Amendment to Lease of Railroad Equipment dated as of February 1, 1978 to the Lease of Railroad Equipment (Lease) dated as of March 1, 1977 and recorded with the Interstate Commerce Commission June 8, 1977 under Recordation No. 8849-A, which Lease was subject to the Assignment recorded also with the Interstate Commerce Commission June 8, 1977 under Recordation 8849-B.

The parties to this Amendment are

Louisville and Nashville Railroad Company
- Lessee
Louisville, Kentucky

American Security Bank, N.A. - Trustee-Lessor
Washington, D.C.

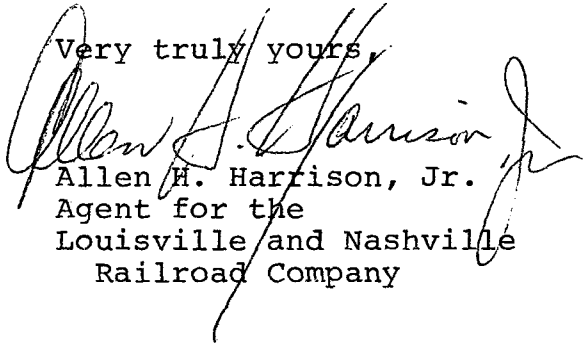
Westinghouse Credit Corporation

The Amendment provides for a payment schedule and other relevant changes for the remaining 61 Units as listed in the Lease and except as so amended, the Lease shall remain unaltered and in full force and effect.

Enclosed is our firm's check for \$20.00 in payment of the recording fee.

Once the filings have been made please return to bearer the stamped counterparts of each of the two documents not required for filing purposes, the fee receipt and the letter from the Interstate Commerce Commission acknowledging the filings, together with the extra copies of this letter of transmittal.

Very truly yours,


Allen H. Harrison, Jr.
Agent for the
Louisville and Nashville
Railroad Company

Mr. H. Gordon Homme, Jr.
Acting Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Encs.

BY HAND

RECORDATION NO. 8849-A Filed 12/22/77 Recorded

MAR 1 1978 -4 22 PM

INTERSTATE COMMERCE COMMISSION

AMENDMENT TO LEASE OF RAILROAD

EQUIPMENT dated as of February 1, 1978,
between LOUISVILLE AND NASHVILLE RAILROAD
COMPANY (hereinafter called the Lessee)
and AMERICAN SECURITY BANK, N.A., a
District of Columbia corporation, not in
its individual capacity but solely as
Trustee (hereinafter called the Lessor
or the Vendee), under a Trust Agreement
dated as of March 1, 1977, with WESTING-
HOUSE CREDIT CORPORATION.

WHEREAS the Lessor and the Lessee have entered into
a Lease of Railroad Equipment dated as of March 1, 1977 (here-
inafter called the Lease);

WHEREAS the Lessor and First Security Bank of Utah,
N.A., have entered into an Assignment of Lease and Agreement
dated as of March 1, 1977 (hereinafter called the Assignment);

WHEREAS the Lease and Assignment were filed and
recorded with the Interstate Commerce Commission pursuant to
Section 20c of the Interstate Commerce Act on June 8, 1977, at
10:55 A.M., and assigned Recordation Nos. 8849-A and 8849-B,
respectively;

WHEREAS 28 Units (as described in the Lease) out of

a total of 89 Units as described in Schedule A to the Lease, were settled for on October 20, 1977, and the remaining 61 Units were delivered on or before December 31, 1977, with settlement for such remaining 61 Units to take place on or before February 28, 1978; and

WHEREAS the parties hereto now desire to amend the Lease to provide a payment schedule and other relevant changes for such remaining 61 Units.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto hereby agree as follows:

1. The first paragraph of Section 2 of the Lease, at page 2 thereof, is hereby deleted in its entirety and the following language is hereby inserted in its place:

" Section 2. Rental. The Lessee agrees to pay to the Lessor as rental for each Unit subject to this Lease one or two interim and 20 consecutive semiannual payments. The interim payments are payable on (i) October 20, 1977, with respect to Units delivered on or before October 20, 1977 (hereinafter in this paragraph called the October Units), and (ii) April 20, 1978, with respect to Units delivered on or before December 31, 1977 (hereinafter in this paragraph called the December Units), and the Cut-Off Date (as defined in the Participation Agreement or any amendment thereto) (or as promptly thereafter as practicable) (or if any of such dates is not a business day, on the next succeeding business day). The 20 semiannual payments for the October Units are payable on April 20 and October 20 in each year, commencing April 20, 1978, to and including October 20, 1987. The 20 semiannual payments for the December Units are payable on April 20 and October 20 in each year, commencing October 20, 1978 to and including April 20, 1988. The interim payments on October 20, 1977, for the October Units and April 20, 1978, for the December Units, shall be in an amount equal

to the product of the Purchase Price (as such term is defined in the Security Document) for each Unit subject to the Lease multiplied by .02604% for each day (computed on the basis of a 360-day year of twelve 30-day months) elapsed from and including the date such Unit is settled for under the Security Document to but not including October 20, 1977, for the October Units and April 20, 1978, for the December Units. The interim payments payable on the Cut-Off Date (or as promptly thereafter as practicable) shall be in an amount equal to the amount payable by the Owner Trustee to the Agent pursuant to clause (a) of the last paragraph of Paragraph 9 of the Participation Agreement. The interim payments payable on October 20, 1977, for the October Units and April 20, 1978, for the December Units shall be increased by an amount equal to the amounts required by the Lessor to make the payments provided for in clause (b) of the last paragraph of Paragraph 9 of the Participation Agreement. The 20 semiannual rental payments with respect to each October Unit and each December Unit shall each be in an amount equal to 6.5431% of the Purchase Price of each such Unit then subject to this Lease. The foregoing rental rates have been calculated on the assumption that 78.93108% of the Purchase Price of the October Units and the December Units will be provided by the Vendor out of Investors' Funds (as such term is defined in Paragraph 6 of the Participation Agreement). If for any reason the Investors' Funds are not available and the Lessor pays more than 21.06892% of the Purchase Price of any Unit pursuant to the third paragraph of Article 3 of the Security Document on a Closing Date (as such term is defined in the Security Document) or if the funds deposited by the Investors (as such term is defined in the Participation Agreement) bear an interest rate other than 9.375% per annum, the Lessor and the Lessee agree that the rentals payable hereunder and the Casualty Value percentages set forth in Schedule B hereto will be appropriately adjusted in order that the Beneficiary's net after-tax return (computed on the same assumptions, including, without limitation, tax rates, as were utilized by the Beneficiary in originally evaluating this transaction) will not be increased or decreased by reason thereof; provided, however, that the rentals and Casualty Value percentages, as so adjusted, shall be sufficient to satisfy the obligations of the Lessor under the Security Document, notwithstanding any limitation of liability contained therein."

2. Schedule B to the Lease is hereby amended as described in Appendix A hereto.

3. Except as amended hereby, the Lease shall remain unaltered and in full force and effect.


4. The Lessee will promptly cause this Amendment to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act.

5. This Amendment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by duly authorized officers and their corporate seals to be hereunto affixed, duly attested, as of the date first above written.

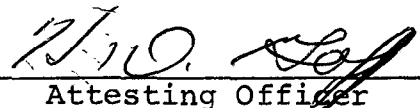
LOUISVILLE AND NASHVILLE RAILROAD COMPANY

by


Assistant Vice President

[Corporate Seal]

Attest:


Attesting Officer

AMERICAN SECURITY BANK, N.A., not
in its individual capacity, but
solely as Trustee,

by

[Corporate Seal]

Vice President

Attest:

Assistant Secretary

The above is hereby consented to:

FIRST SECURITY BANK OF UTAH, N.A.
not in its individual capacity but
solely in its capacity as Agent,

by

COMMONWEALTH OF KENTUCKY,)
) ss.:
COUNTY OF JEFFERSON,)

On this 27th day of February 1978, before me personally appeared N.H. Stier, to me personally known, who, being by me duly sworn, says that he is an Assistant Vice President of LOUISVILLE AND NASHVILLE RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Shaun W. Bowles
Notary Public

Notary Public, State at Large
My commission expires July 20, 1978

[Notarial Seal]

STATE OF UTAH,)
) ss.:
COUNTY OF SALT LAKE,)

On this day of February 1978, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Authorize Officer of FIRST SECURITY BANK OF UTAH, that one of the seals affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

Notary Public

[Notarial Seal]

DISTRICT OF COLUMBIA,) ss.:

On this day of February 1978, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of AMERICAN SECURITY BANK, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

Notary Public

[Notarial Seal]

SCHEDULE B

Casualty Value Percentages Schedule

Table 1

<u>Rental Payment Date</u>	<u>Percentage of Purchase Price for each October Unit*</u>	<u>Percentage of Purchase Price for each December Unit*</u>
October 20, 1977	93.9346	
April 20, 1978	92.0954	93.9346
October 20, 1978	90.0027	92.0954
April 20, 1979	87.6736	90.0027
October 20, 1979	85.1269	87.6736
April 20, 1980	82.3656	85.1269
October 20, 1980	79.3992	82.3656
April 20, 1981	76.2367	79.3992
October 20, 1981	72.8824	76.2367
April 20, 1982	69.3495	72.8824
October 20, 1982	65.6373	69.3495
April 20, 1983	61.7574	65.6373
October 20, 1983	57.7044	61.7574
April 20, 1984	53.4920	57.7044
October 20, 1984	49.1102	53.4920
April 20, 1985	44.5769	49.1102
October 20, 1985	39.8775	44.5769
April 20, 1986	35.0848	39.8775
October 20, 1986	30.1814	35.0848
April 20, 1987	25.1586	30.1814
October 20, 1987	20.0000	25.1586
April 20, 1988		20.0000

Table 2

The percentages set forth in Table 1 of this Schedule B have been computed without regard to recapture of the Investment Credit (as defined in the Indemnity Agreement dated as of March 1, 1977, between the Lessee and the Beneficiary). Consequently, the Casualty Value of any Unit suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of such Unit shall be increased by the applicable percentage of the Reconstruction Cost set forth below:

<u>Anniversary of Delivery and Acceptance</u>	<u>Percentage of Reconstruction Cost</u>
Third	19.2308
Fifth	12.8205
Seventh	6.4103

* See Section 2 of the Amendment to Lease of Railroad Equipment dated as of February 1, 1978, for a definition of "October Unit" and "December Unit".

AMENDMENT TO LEASE OF RAILROAD
EQUIPMENT dated as of February 1, 1978,
between LOUISVILLE AND NASHVILLE RAILROAD
COMPANY (hereinafter called the Lessee)
and AMERICAN SECURITY BANK, N.A., a
District of Columbia corporation, not in
its individual capacity but solely as
Trustee (hereinafter called the Lessor
or the Vendee), under a Trust Agreement
dated as of March 1, 1977, with WESTING-
HOUSE CREDIT CORPORATION.

WHEREAS the Lessor and the Lessee have entered into
a Lease of Railroad Equipment dated as of March 1, 1977 (here-
inafter called the Lease);

WHEREAS the Lessor and First Security Bank of Utah,
N.A., have entered into an Assignment of Lease and Agreement
dated as of March 1, 1977 (hereinafter called the Assignment);

WHEREAS the Lease and Assignment were filed and
recorded with the Interstate Commerce Commission pursuant to
Section 20c of the Interstate Commerce Act on June 8, 1977, at
10:55 A.M., and assigned Recordation Nos. 8849-A and 8849-B,
respectively;

WHEREAS 28 Units (as described in the Lease) out of

a total of 89 Units as described in Schedule A to the Lease, were settled for on October 20, 1977, and the remaining 61 Units were delivered on or before December 31, 1977, with settlement for such remaining 61 Units to take place on or before February 28, 1978; and

WHEREAS the parties hereto now desire to amend the Lease to provide a payment schedule and other relevant changes for such remaining 61 Units.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto hereby agree as follows:

1. The first paragraph of Section 2 of the Lease, at page 2 thereof, is hereby deleted in its entirety and the following language is hereby inserted in its place:

" Section 2. Rental. The Lessee agrees to pay to the Lessor as rental for each Unit subject to this Lease one or two interim and 20 consecutive semiannual payments. The interim payments are payable on (i) October 20, 1977, with respect to Units delivered on or before October 20, 1977 (hereinafter in this paragraph called the October Units), and (ii) April 20, 1978, with respect to Units delivered on or before December 31, 1977 (hereinafter in this paragraph called the December Units), and the Cut-Off Date (as defined in the Participation Agreement or any amendment thereto) (or as promptly thereafter as practicable) (or if any of such dates is not a business day, on the next succeeding business day). The 20 semiannual payments for the October Units are payable on April 20 and October 20 in each year, commencing April 20, 1978, to and including October 20, 1987. The 20 semiannual payments for the December Units are payable on April 20 and October 20 in each year, commencing October 20, 1978 to and including April 20, 1988. The interim payments on October 20, 1977, for the October Units and April 20, 1978, for the December Units, shall be in an amount equal

to the product of the Purchase Price (as such term is defined in the Security Document) for each Unit subject to the Lease multiplied by .02604% for each day (computed on the basis of a 360-day year of twelve 30-day months) elapsed from and including the date such Unit is settled for under the Security Document to but not including October 20, 1977, for the October Units and April 20, 1978, for the December Units. The interim payments payable on the Cut-Off Date (or as promptly thereafter as practicable) shall be in an amount equal to the amount payable by the Owner Trustee to the Agent pursuant to clause (a) of the last paragraph of Paragraph 9 of the Participation Agreement. The interim payments payable on October 20, 1977, for the October Units and April 20, 1978, for the December Units shall be increased by an amount equal to the amounts required by the Lessor to make the payments provided for in clause (b) of the last paragraph of Paragraph 9 of the Participation Agreement. The 20 semiannual rental payments with respect to each October Unit and each December Unit shall each be in an amount equal to 6.5431% of the Purchase Price of each such Unit then subject to this Lease. The foregoing rental rates have been calculated on the assumption that 78.93108% of the Purchase Price of the October Units and the December Units will be provided by the Vendor out of Investors' Funds (as such term is defined in Paragraph 6 of the Participation Agreement). If for any reason the Investors' Funds are not available and the Lessor pays more than 21.06892% of the Purchase Price of any Unit pursuant to the third paragraph of Article 3 of the Security Document on a Closing Date (as such term is defined in the Security Document) or if the funds deposited by the Investors (as such term is defined in the Participation Agreement) bear an interest rate other than 9.375% per annum, the Lessor and the Lessee agree that the rentals payable hereunder and the Casualty Value percentages set forth in Schedule B hereto will be appropriately adjusted in order that the Beneficiary's net after-tax return (computed on the same assumptions, including, without limitation, tax rates, as were utilized by the Beneficiary in originally evaluating this transaction) will not be increased or decreased by reason thereof; provided, however, that the rentals and Casualty Value percentages, as so adjusted, shall be sufficient to satisfy the obligations of the Lessor under the Security Document, notwithstanding any limitation of liability contained therein."

2. Schedule B to the Lease is hereby amended as described in Appendix A hereto.

3. Except as amended hereby, the Lease shall remain unaltered and in full force and effect.

4. The Lessee will promptly cause this Amendment to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act.

5. This Amendment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by duly authorized officers and their corporate seals to be hereunto affixed, duly attested, as of the date first above written.

LOUISVILLE AND NASHVILLE RAILROAD COMPANY

by

Assistant Vice President

[Corporate Seal]

Attest:

Attesting Officer

AMERICAN SECURITY BANK, N.A., not
in its individual capacity, but
solely as Trustee,

by



Vice President

[Corporate Seal]

Attest:


Assistant Secretary

The above is hereby consented to:

FIRST SECURITY BANK OF UTAH, N.A.
not in its individual capacity but
solely in its capacity as Agent,

by

COMMONWEALTH OF KENTUCKY,)
) ss.:
COUNTY OF JEFFERSON,)

On this day of February 1978, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Assistant Vice President of LOUISVILLE AND NASHVILLE RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

[Notarial Seal]

STATE OF UTAH,)
) ss.:
COUNTY OF SALT LAKE,)

On this day of February 1978, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Authorize Officer of FIRST SECURITY BANK OF UTAH, that one of the seals affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

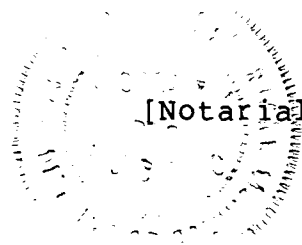
Notary Public

[Notarial Seal]

DISTRICT OF COLUMBIA,) ss.:

On this 27th day of February 1978, before me personally appeared R. D. LARSON, to me personally known, who, being by me duly sworn, says that he is a Vice President of AMERICAN SECURITY BANK, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

Gregory M. Philbrick
Notary Public



[Notarial Seal]

SCHEDULE B

Casualty Value Percentages Schedule

Table 1

<u>Rental Payment Date</u>	<u>Percentage of Purchase Price for each October Unit*</u>	<u>Percentage of Purchase Price for each December Unit*</u>
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October 20, 1985	39.8775	44.5769
April 20, 1986	35.0848	39.8775
October 20, 1986	30.1814	35.0848
April 20, 1987	25.1586	30.1814
October 20, 1987	20.0000	25.1586
April 20, 1988		20.0000

Table 2

The percentages set forth in Table 1 of this Schedule B have been computed without regard to recapture of the Investment Credit (as defined in the Indemnity Agreement dated as of March 1, 1977, between the Lessee and the Beneficiary). Consequently, the Casualty Value of any Unit suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of such Unit shall be increased by the applicable percentage of the Reconstruction Cost set forth below:

<u>Anniversary of Delivery and Acceptance</u>	<u>Percentage of Reconstruction Cost</u>
Third	19.2308
Fifth	12.8205
Seventh	6.4103

* See Section 2 of the Amendment to Lease of Railroad Equipment dated as of February 1, 1978, for a definition of "October Unit" and "December Unit".

AMENDMENT TO LEASE OF RAILROAD
EQUIPMENT dated as of February 1, 1978,
between LOUISVILLE AND NASHVILLE RAILROAD
COMPANY (hereinafter called the Lessee)
and AMERICAN SECURITY BANK, N.A., a
District of Columbia corporation, not in
its individual capacity but solely as
Trustee (hereinafter called the Lessor
or the Vendee), under a Trust Agreement
dated as of March 1, 1977, with WESTING-
HOUSE CREDIT CORPORATION.

WHEREAS the Lessor and the Lessee have entered into
a Lease of Railroad Equipment dated as of March 1, 1977 (here-
inafter called the Lease);

WHEREAS the Lessor and First Security Bank of Utah,
N.A., have entered into an Assignment of Lease and Agreement
dated as of March 1, 1977 (hereinafter called the Assignment);

WHEREAS the Lease and Assignment were filed and
recorded with the Interstate Commerce Commission pursuant to
Section 20c of the Interstate Commerce Act on June 8, 1977, at
10:55 A.M., and assigned Recordation Nos. 8849-A and 8849-B,
respectively;

WHEREAS 28 Units (as described in the Lease) out of

a total of 89 Units as described in Schedule A to the Lease, were settled for on October 20, 1977, and the remaining 61 Units were delivered on or before December 31, 1977, with settlement for such remaining 61 Units to take place on or before February 28, 1978; and

WHEREAS the parties hereto now desire to amend the Lease to provide a payment schedule and other relevant changes for such remaining 61 Units.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto hereby agree as follows:

1. The first paragraph of Section 2 of the Lease, at page 2 thereof, is hereby deleted in its entirety and the following language is hereby inserted in its place:

" Section 2. Rental. The Lessee agrees to pay to the Lessor as rental for each Unit subject to this Lease one or two interim and 20 consecutive semiannual payments. The interim payments are payable on (i) October 20, 1977, with respect to Units delivered on or before October 20, 1977 (hereinafter in this paragraph called the October Units), and (ii) April 20, 1978, with respect to Units delivered on or before December 31, 1977 (hereinafter in this paragraph called the December Units), and the Cut-Off Date (as defined in the Participation Agreement or any amendment thereto) (or as promptly thereafter as practicable) (or if any of such dates is not a business day, on the next succeeding business day). The 20 semiannual payments for the October Units are payable on April 20 and October 20 in each year, commencing April 20, 1978, to and including October 20, 1987. The 20 semiannual payments for the December Units are payable on April 20 and October 20 in each year, commencing October 20, 1978 to and including April 20, 1988. The interim payments on October 20, 1977, for the October Units and April 20, 1978, for the December Units, shall be in an amount equal

to the product of the Purchase Price (as such term is defined in the Security Document) for each Unit subject to the Lease multiplied by .02604% for each day (computed on the basis of a 360-day year of twelve 30-day months) elapsed from and including the date such Unit is settled for under the Security Document to but not including October 20, 1977, for the October Units and April 20, 1978, for the December Units. The interim payments payable on the Cut-Off Date (or as promptly thereafter as practicable) shall be in an amount equal to the amount payable by the Owner Trustee to the Agent pursuant to clause (a) of the last paragraph of Paragraph 9 of the Participation Agreement. The interim payments payable on October 20, 1977, for the October Units and April 20, 1978, for the December Units shall be increased by an amount equal to the amounts required by the Lessor to make the payments provided for in clause (b) of the last paragraph of Paragraph 9 of the Participation Agreement. The 20 semiannual rental payments with respect to each October Unit and each December Unit shall each be in an amount equal to 6.5431% of the Purchase Price of each such Unit then subject to this Lease. The foregoing rental rates have been calculated on the assumption that 78.93108% of the Purchase Price of the October Units and the December Units will be provided by the Vendor out of Investors' Funds (as such term is defined in Paragraph 6 of the Participation Agreement). If for any reason the Investors' Funds are not available and the Lessor pays more than 21.06892% of the Purchase Price of any Unit pursuant to the third paragraph of Article 3 of the Security Document on a Closing Date (as such term is defined in the Security Document) or if the funds deposited by the Investors (as such term is defined in the Participation Agreement) bear an interest rate other than 9.375% per annum, the Lessor and the Lessee agree that the rentals payable hereunder and the Casualty Value percentages set forth in Schedule B hereto will be appropriately adjusted in order that the Beneficiary's net after-tax return (computed on the same assumptions, including, without limitation, tax rates, as were utilized by the Beneficiary in originally evaluating this transaction) will not be increased or decreased by reason thereof; provided, however, that the rentals and Casualty Value percentages, as so adjusted, shall be sufficient to satisfy the obligations of the Lessor under the Security Document, notwithstanding any limitation of liability contained therein."

2. Schedule B to the Lease is hereby amended as described in Appendix A hereto.

3. Except as amended hereby, the Lease shall remain unaltered and in full force and effect.

4. The Lessee will promptly cause this Amendment to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act.

5. This Amendment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by duly authorized officers and their corporate seals to be hereunto affixed, duly attested, as of the date first above written.

LOUISVILLE AND NASHVILLE RAILROAD COMPANY

by

Assistant Vice President

[Corporate Seal]

Attest:

Attesting Officer

AMERICAN SECURITY BANK, N.A., not
in its individual capacity, but
solely as Trustee,

by

[Corporate Seal]

Vice President

Attest:

Assistant Secretary

The above is hereby consented to:

FIRST SECURITY BANK OF UTAH, N.A.
not in its individual capacity but
solely in its capacity as Agent,

by



DEBRA J. DOREMAN
TRUST ADMINISTRATOR

COMMONWEALTH OF KENTUCKY,)
) ss.:
COUNTY OF JEFFERSON,)

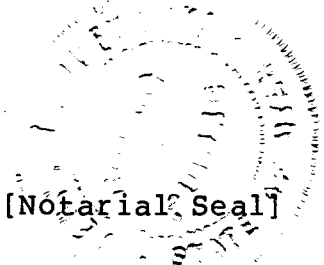
On this day of February 1978, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Assistant Vice President of LOUISVILLE AND NASHVILLE RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

[Notarial Seal]

STATE OF UTAH,)
) ss.:
COUNTY OF SALT LAKE,)

On this *27th* day of February 1978, before me personally appeared DEBRA J. DORFMAN, to me personally known, who, being by me duly sworn, says that he is an Authorize Officer of FIRST SECURITY BANK OF UTAH, that one of the seals affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.



[Notarial Seal]



Notary Public

My Commission Expires November 15, 1981

DISTRICT OF COLUMBIA,) ss.:

On this day of February 1978, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of AMERICAN SECURITY BANK, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

Notary Public

[Notarial Seal]

SCHEDULE B

Casualty Value Percentages Schedule

Table 1

<u>Rental Payment Date</u>	<u>Percentage of Purchase Price for each October Unit*</u>	<u>Percentage of Purchase Price for each December Unit*</u>
October 20, 1977	93.9346	
April 20, 1978	92.0954	
October 20, 1978	90.0027	93.9346
April 20, 1979	87.6736	92.0954
October 20, 1979	85.1269	90.0027
April 20, 1980	82.3656	87.6736
October 20, 1980	79.3992	85.1269
April 20, 1981	76.2367	82.3656
October 20, 1981	72.8824	79.3992
April 20, 1982	69.3495	76.2367
October 20, 1982	65.6373	72.8824
April 20, 1983	61.7574	69.3495
October 20, 1983	57.7044	65.6373
April 20, 1984	53.4920	61.7574
October 20, 1984	49.1102	57.7044
April 20, 1985	44.5769	53.4920
October 20, 1985	39.8775	49.1102
April 20, 1986	35.0848	44.5769
October 20, 1986	30.1814	39.8775
April 20, 1987	25.1586	35.0848
October 20, 1987	20.0000	30.1814
April 20, 1988		25.1586
		20.0000

Table 2

The percentages set forth in Table 1 of this Schedule B have been computed without regard to recapture of the Investment Credit (as defined in the Indemnity Agreement dated as of March 1, 1977, between the Lessee and the Beneficiary). Consequently, the Casualty Value of any Unit suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of such Unit shall be increased by the applicable percentage of the Reconstruction Cost set forth below:

<u>Anniversary of Delivery and Acceptance</u>	<u>Percentage of Reconstruction Cost</u>
Third	19.2308
Fifth	12.8205
Seventh	6.4103

* See Section 2 of the Amendment to Lease of Railroad Equipment dated as of February 1, 1978, for a definition of "October Unit" and "December Unit".